



March 6, 2010

To: The Honorable Burt Johnson, Representative of Michigan's 5th House District
The Honorable Marie Donigan, Representative of Michigan's 26th House District
The Honorable Jon Switalski, Representative of Michigan's 25th House District

From: Transportation Riders United

Dear Representatives Johnson, Donigan and Switalski,

Transportation Riders United wishes to commend your leadership in the crucial effort to develop a high-quality regional transit system in Southeast Michigan with your introduction of House Bills 5731, 5732 and 5733 to create a new regional transit authority.

As Greater Detroit's leading grass-roots transit advocate for over ten years, TRU has been committed to bringing high-quality, comprehensive transit to our region. We recognize it as essential to rebuilding our region's economic and social vitality. In this era of unprecedented economic uncertainty, this is now more true than ever. Our region can wait no longer to change its status as the only major metropolitan area in the country without rapid transit. Transit investment is more than a local economic development tool; it is a necessity to compete and succeed in a globalized economy.. Our past failure to invest in transit currently disadvantages us in our efforts to diversify our economy, as cutting-edge businesses and the highly-educated "creative class" that are the engines of new economic growth choose to locate in more dynamic metropolises that offer high quality transit.

Creation of a regional transit authority is a major step towards building a true, regional multi-modal system. We support a well-designed RTA as an effective means to:

- Administer efficient, coordinated service throughout the region by eliminating both the service gaps and wasteful service overlaps.
- Expedite implementation and funding of the RTCC transit plan, encompassing DTOGS, M-1, Ann Arbor-Detroit commuter rail and other new projects.
- Operate new transit services, including light rail and BRT.
- Establish a model for regional cooperation and governance that can help transcend long-term divisions that continue to harm both the city and suburbs.
- Create an authority to capture new local revenue sources that will be necessary to build and operate new transit projects.
- Satisfy federal requirements for regional cooperation as a prerequisite for funding through "New Starts" and other federal grant programs.
- Improve political support throughout the region and the state for passage of local options enabling legislation, as well as increased state funding for regional transit.

In order for the RTA to succeed and work for the benefit of the entire region, it must include the following:

- Assure fair and efficient distribution of services, service funding and costs throughout the region, with no loss of essential services as currently provided. We are particularly concerned that the City of Detroit and its transit users are held harmless in the distribution of state and federal funding under the proposed RTA. Currently, DDOT provides almost 80% of transit trips in the region.
- No veto power—regional decision-makers must be able to work together and compromise.
- No opt-outs—all parts of the region must be included in order to create a functional regional system that serves all.
- Taxing authority—the RTA must be able to receive new revenue sources such as a dedicated local transit tax.
- We are concerned that provisions limiting the use of tax dollars to the transit district where they are raised, will hamper the region's ability to cooperate and provide transit resources where the region will most benefit.

With the above provisions, TRU can offer its strong support of House Bills 5731, 5732 and 5733.

TRU recognizes that many issues around provision of services, funding and collective bargaining remain to be resolved in regionalization of transit. We also realize that formation of an RTA requires some shifting of current structures of governance away from local to regional control. But with the development of new regional transit services, and given the current system's increasing budgetary shortfalls, changes to the status quo in service provision and funding formulas are all but inevitable. It is of overriding importance and to the long-term benefit of all parties that we seize the current political moment. We therefore endorse the strategy of passing an RTA now, with continuation of state funding, service provision by DDOT and SMART, and honoring of current labor contracts for the time being. Once an RTA is established, it will be through that authority that the above issues can be logically resolved.

Since the last Detroit streetcar was decommissioned in 1956, numerous efforts to bridge regional divides and develop a mass transit system in Southeast Michigan have come and gone. With major recent developments such as DTOGS/M-1 and Ann Arbor-Detroit commuter rail service scheduled to launch later this year, and with formation of a well-designed RTA, TRU is optimistic that we are finally on the cusp of real change.

Thank you for your leadership on this issue of vital importance to the region and the state. We are happy to help in whatever way we can to ensure that this bill passes and is effectively implemented.

Sincerely,

Steve Gutterman
Public Policy Coordinator
Transportation Riders United